

Idaho Milk Products Inside Connection

March 2023

Sustainability

Idaho Milk Products has proudly adopted the U.S. Dairy Stewardship Commitment, affirming to our customers, our consumers and the global marketplace our pledge to responsible dairy production, as we nourish the communities we serve.

We join other industry participants around the country in working hard to ensure best practices in important areas like animal care, the environment and food safety.

We strive to continually improve as we listen to and engage with our diverse stakeholders about what is most important to them. We also pledge to contribute to the ability of U.S. Dairy to track and re-report the progress of our community's leadership –from farm to table –in the global marketplace.

For more information about the U.S. Dairy Stewardship Commitment, go to: <http://commitment.usdairy.com/>



Idaho Milk Products 2022 Materiality Assessment Report

In 2022, we developed our first materiality and prioritization assessment to identify key Environmental, Social and Governance (ESG) topics important to both our business and our stakeholders. From our previous Corporate Social Responsibility (CSR) report in 2018, the move towards an ESG approach reflects the fact that material issues are broader in nature and require a more aligned data driven approach with metrics and associated actions. Addressing the material topics is essential for the growth of the organization and acts as a force to further integrate them into business operations to support our continuous improvement efforts. To read the report in it's entirety go to [Materiality Assessment Report.](#)



Idaho Milk Products Webinar Series

Idaho Milk Products will present Episode 7 in their Formulating with Milk Proteins webinar series on 'Milk Protein Concentrate/Isolate Helps Create Excellent High-Protein Food Applications'. Attendees will learn about using functional milk proteins to formulate high-protein baked products, confections and snacks, how to choose the best proteins for their projects and what equipment and expertise are available to help in formulating food applications. This seventh webinar will be cast on April 4, 2023, and be hosted by Global Food Forums, Inc. Register now at <https://event.on24.com/wcc/r/3949741/0643B522647AD93CC5CF84EED54E82F0>.

Our latest episodes feature:

- Protein Bar Formulations and High Protein Yogurts
- Cleaner Labels Via Replacing Caseinates in Beverages

If you are interested in viewing past webinars go to <https://www.idahomilkproducts.com/?s=webinar> or talk to one of our sales managers at sales@idahomilk.us.

For more information you can reach us by phone or email.
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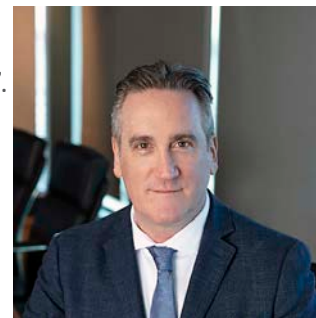
“Clean” ingredients seem to be trending at a time when global milk seems to be flattening. Pursuit of Excellence

Kevin Quinn, Vice President of Sales & Marketing

The international Dairy Foods Associate (IDFA) annual “Dairy Forum” took place the week of 17 January 2023 in Orlando, Florida. Many of the global buyers and sellers of dairy ingredients showed up for this event. A team from Idaho Milk Products attended this event and met with varying customers who do business domestically and internationally. There were a few themes that were discussed during customer meetings. Clean ingredients and milk supply were on the minds of most of the attendees we spoke with.

1. Sustainability was either the first or second inquiry from most of the customers. Many of these customers are asking for sustainability actions by their downstream suppliers, at farm, transportation and factory levels. They want these actions to happen quickly so the dairy industry can get a head start on the goal of “Net Zero by 2050” which a large number of these companies have adopted. According to many of these customers, dairy ingredients are deemed “Clean” if they meet these sustainability goals.
2. Customers are inquiring about clean labeling on incoming ingredients as well. Within the dairy world, the ingredients a given customer might buy for further processing, need to arrive at their facility as clean as possible. As a result, there is a focus on the manufacturing processes used to produce these ingredients. Examples, within dairy powders, are MPCs (Milk Protein Concentrates) and MPIs (Milk Protein Isolates). These items are derived by filtration then drying of milk. The filtration raises the protein level and the drying turns the finished goods into powder. There are other ways to produce high protein casein, like the use of acid (Acid casein) or further processing of the acid casein into caseinates using Calcium, Sodium, Potassium, Magnesium, etc. MPCs/MPIs are deemed “Clean” proteins as there are no processing aids used to derive the protein levels in the finished goods. In addition, our products are highly functional and in many applications, help reduce the need for additional ingredients in the customer’s downstream process.
3. Global milk production seems to be flattening in certain critical milk-producing regions. We are hearing of flattening milk across Europe due to strict sustainability regulations. Some countries are stricter than others, and in those countries, milk is drying at a faster rate than in countries that are adopting the sustainability regulations less urgently. As an example, The Netherlands milk seems to be drying up quickly. Whereas countries like Germany, Poland, Ireland, etc. have had some increases in milk production in recent months. New Zealand seems to have flat milk going into 2023, mostly due to space for herd growth in a relatively limited land mass. U.S. milk is not flat but is down the last few months against forecasted milk growth. With milk flattening globally, there is a general concern that supply is going to shorten while demand grows. That potentially makes the cleaner ingredients less plentiful, and possibly, more difficult to attain.
4. As mentioned above, global demand for dairy ingredients seems to be strengthening or, according to many at the Dairy Forum, “Global demand is coming back and it’s a matter of “When” not “If” the global pre-COVID demand returns”. Some whisperings of demand growth are coming out of key dairy markets like China and Mexico. When this demand returns, supply might get shorter, and, as with the previous statement, the intersection of supply/demand will make it more difficult to attain cleaner ingredients at a time when customers and consumers seem to be increasing their demand for “Clean”.

Generally, 2023 seems to be a year where we might see post-COVID demand come back and many global customers are looking to the U.S. suppliers to fill that demand due to the challenges of milk production in New Zealand and Europe. Only time will tell how 2023 plays out.



For more information you can reach us by phone or email.

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